



OFFICE OF THE COMPTROLLER
CITY OF ST. LOUIS



FILE COPY

DARLENE GREEN
Comptroller

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DR. KENNETH M. STONE, CPA
Internal Audit Executive

August 4, 2011

Dana Scott Person, Executive Director
North Newstead Association
4601 Pope
St. Louis, MO 63115

RE: Community Development Block Grant (CDBG) (Project #2011-CDA29)

Dear Ms. Person:

Enclosed is a report of the fiscal monitoring review of the North Newstead Association, a not-for-profit organization, CDBG Program, for the period January 1, 2010, through December 31, 2010. The scope of a fiscal monitoring review is less than an audit, and as such, we do not express an opinion on the financial operations of North Newstead Association. Fieldwork was completed on July 15, 2011.

This review was made under authorization contained in Section 2, Article XV of the Charter, City of St. Louis, as revised, and has been conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing* and through an agreement with the City of St. Louis, Community Development Administration (CDA) to provide fiscal monitoring to all grant sub-recipients.

If you have any questions, please contact the Internal Audit Section at (314) 622-4723.

Respectfully,

Dr. Kenneth M. Stone, CPA
Internal Audit Executive

Enclosure

cc: Jill Claybour, Acting Executive Director, CDA
Lorna Alexander, Special Assistant for Development, CDA



CITY OF ST. LOUIS CITY OF ST. LOUIS

**COMMUNITY DEVELOPMENT ADMINISTRATION (CDA)
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)**

**NORTH NEWSTEAD ASSOCIATION
CONTRACT #10-31-54
CFDA #14.218**

FISCAL MONITORING REVIEW

JANUARY 1, 2010 THROUGH DECEMBER 31, 2010

PROJECT #2011-CDA29

DATE ISSUED: AUGUST 4, 2011

**Prepared by:
The Internal Audit Section**



OFFICE OF THE COMPTROLLER OFFICE OF THE COMPTROLLER

HONORABLE DARLENE GREEN, COMPTROLLER

**CITY OF ST. LOUIS
COMMUNITY DEVELOPMENT ADMINISTRATION (CDA)
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
NORTH NEWSTEAD ASSOCIATION
FISCAL MONITORING REVIEW
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TABLE OF CONTENTS

Description	Page(s)
INTRODUCTION	
Background	1
Purpose	1
Scope and Methodology	1
Exit Conference	1
SUMMARY OF OBSERVATIONS	
Conclusion	2
Status of Prior Observations	2
A-133 Status	2
Summary of Current Observations	2

INTRODUCTION

Background

Contract Name: North Newstead Association

Contract Number: 10-31-54

Contract Period: January 1, 2010 through December 31, 2010

CFDA Number: 14.218

Contract Amount: \$60,000

The contract provided Community Development Block Grant (CDBG) fund to North Newstead Association (Agency) to combat physical deterioration in the Agency's neighborhood through home improvement, infrastructure enhancements and commercial redevelopment.

Purpose

The purpose of the review was to determine the Agency's compliance with federal, state and local Community Development Administration (CDA) requirements for the period January 1, 2010, through December 31, 2010, and make recommendations for improvements as considered necessary.

Scope and Methodology

Inquiries were made regarding the Agency's internal controls relating to the grant administered by the Community Development Administration (CDA). Evidence was tested supporting the reports the Agency submitted to CDA and other procedures were performed as considered necessary. Fieldwork was completed on July 15, 2011.

Exit Conference

There were no current observations; therefore, an exit conference was not considered necessary.

SUMMARY OF OBSERVATIONS

Conclusion

No evidence was found to suggest that the Agency did not comply with federal, state and local CDA requirements.

Status of Prior Observations

The Agency's previous fiscal monitoring report, Project #2009-CDA40 issued July 9, 2009, noted five observations.

1. Opportunity to request only for expenses incurred and paid. **(Resolved)**
2. Opportunity to file IRS Form 990. **(Resolved)**
3. Opportunity to maintain accounting records. **(Resolved)**
4. Opportunity to submit monthly financial reports in a timely manner. **(Resolved)**
5. Opportunity to update Agency's policies and procedures manual. **(Resolved)**

A-133 Status

According to a letter received from the Agency dated June 23, 2011, it did not expend \$500,000 or more in federal funds in its fiscal year ended December 31, 2010, and was not required to have an A-133 audit.

Summary of Current Observations

There were no observations.